



March 25, 2021

The Honorable Jim Wood  
Chair, Assembly Health Committee  
Capitol Room 6005  
Sacramento, CA 95814

**Re: Support for AB 470 (Carrillo)**

Dear Assemblymember Wood,

California Health Advocates (CHA) supports AB 470 (Carrillo) to eliminate the asset limit for Medi-Cal programs serving seniors and persons with disabilities, who are most at risk of COVID-19. Increased access to Medi-Cal and health care services allows people to maintain financial stability while ensuring access to affordable health care, which is critical especially during a pandemic. Eliminating the Medi-Cal asset test also ends its disproportionate harm against people of color as they are more likely to have cash savings instead of exempt assets like a home.

Currently, a senior or person with disabilities enrolled in a non-MAGI Medi-Cal program is restricted to \$2,000 in a bank account and a couple to \$3,000. Other Medi-Cal beneficiaries, such as those under age 65, have no asset limit following the implementation of the Affordable Care Act. When faced with the decision of qualifying for Medi-Cal or having additional savings, most individuals rationally spend down their savings as the cost of their health care is more than they have saved. This puts seniors and people with disabilities at risk of further instability or homelessness when financial crises happen and prevents them from having adequate resources to weather a crisis such as an eviction, a leaking roof, or a major vehicle repair.

CHA, a non-profit organization founded in 1997, is the leading Medicare Advocacy and educational voice for more than 5.6 million Medicare beneficiaries in California. Our members, county Health Insurance and Advocacy Programs (HICAPs) often work with beneficiaries explaining how they may spend down their assets to qualify for Medi-CAL.

AB 470 eliminates the asset test for both initial Medi-Cal applications and for redeterminations. The elimination of the asset test in public programs reflects a shift away from requiring low-income people to deplete all their resources prior to receiving help. Extending this policy to older Californians and persons with disabilities aligns with this shift as well as creating parity between Medi-Cal programs. Additionally, eliminating the asset limit will simplify the administration of the Medi-Cal program by reducing application and renewal barriers that force people to document their financial accounts and property every year.

California Health Advocates respectfully asks for your support of this important legislation to provide equity and stability for low-income seniors and persons with disabilities who are subject to the asset test.

Sincerely,

Christina Dimas-Kahn  
Board Chair